

II. SPECIFICATION AMENDMENT

Please insert the following as the Abstract:

--Abstract

β1
A payment system includes a label device, and a postal security device (PSD) which stores postal funds for dispensing that may be replenished via electronic funds transfer. The label device generates indicia onto label stock which serves as proof of postage after deducting the corresponding postage amount to be dispensed from the postal funds stored in the PSD. In the case of dispensing lottery tickets, the label device connects to a lottery server over a communications network to transmit transaction data to the lottery server. The payment system deducts the payment amount corresponding to the lottery entry from the postal funds stored in the PSD. In return the payment system receives, from the lottery server, data concerning indicium. Label device then uses the received data to print indicium on label stock, thereby producing a lottery ticket.--